

QUESTION:

The Senate-passed version of the Intelligence Authorization Act for 1988 contains a cost of living provision for the FBI's New York Office that would allow the FBI Director to provide additional compensation to FBI employees in that city. No other Department of Justice agency would be afforded such treatment under the provisions of the bill. We understand that the Bureau is in support of the provision.

If passed and signed into law by the President, the bill would create serious inequities between the FBI and other DOJ and Federal agencies. Has the FBI considered this fairness issue in formulating its position on the bill? If so, what solutions can the Bureau offer to the problem?

EXECUTIVE RESPONSE:

This legislation does not create serious inequities between the FBI and other Federal agencies in New York. It was because of the unique mission and responsibilities of the FBI and personnel problems associated with our ability to carry out this mission in New York that the Senate Select Committee on Intelligence (SSCI) proposed this legislation. It is certainly not unfair.

SSCI concluded that the high cost of living in the New York area "inevitably undermines the effectiveness of the New York Division in terms of its counterintelligence responsibilities." Other Federal agencies with comparable personnel standards, charged with responsibilities in foreign intelligence or foreign affairs have recognized this problem and provide compensation packages for their employees in New York. The FBI is unique in the Federal community for New York because of the size of the Agent complement (1,225 Special Agents), its foreign counterintelligence responsibilities, the unusual hours and availability required for the Agents, the rigid hiring standards of the FBI for Agent and non-Agent personnel alike which require top secret clearances for all employees and the need to encourage Agents to remain in New York thereby raising the experience level of the office and its ultimate effectiveness.

It is my understanding that the provision now being considered by the Intelligence Committees will provide for a 5-year demonstration project to ascertain the effect on recruitment, retention, and operations of paying an additional allowance to the employees of the New York Division. The language of the provision, as we are advised by staff, will be similar to the language of Title 5, U.S.C., Section 4703, titled "Demonstration Projects," which is used by OPM to conduct studies under like circumstances where Federal agencies have difficulty in recruiting and retaining competent personnel. Additionally, the FBI may be required to consult with and advise OPM, as well as appropriate Oversight Committees, on the plan formulated for New York and its results.

DETAILS:

The Special Agents (SAs) assigned to the New York Division are faced with difficult living conditions. In the forefront of these problems is the escalating cost of living which makes the purchase of a house practically an impossibility for even a GS-10 or GS-11 SA. The New York employee is confronted with many other exorbitant living expenses which are not evident to this magnitude in any other field division in the United States. Unless some action is taken to alleviate these hardships, the New York Division will be unable to maintain a high staffing level which is imperative to the efficiency and effectiveness of both the Criminal and Foreign Counterintelligence programs.

On 5/20/87, the Senate version of the Fiscal year (FY) 1988 Intelligence Authorization Bill, S.1243, was reported out of Committee by the Senate Select committee on Intelligence. Included in this Bill was Section 402, which provides that the Director of the FBI is "authorized to pay from appropriated funds additional compensation to the New York Field Division of the Federal Bureau of Investigation to the extent necessary and appropriate to defray unusual living expenses associated with such employment." The intent of this provision was to allow the FBI to decide what, if any, additional compensation would be appropriate in the way of a cost of living supplement or housing supplement to all employees assigned to the New York Field Division, regardless of which investigative program they are assigned.

There are ongoing discussions between the Hill and FBI Headquarters. The provision was voted on by the full Senate and approved. It will be conferenced by the House and Senate Intelligence Committees in early September when Congress reconvenes.